

Action No.: 1001-02216  
Deponent: Gary W. Goetsch  
Date Sworn: February 17, 2010

IN THE COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL DISTRICT OF CALGARY

IN THE MATTER OF THE COMPANIES' CREDITOR ARRANGEMENT ACT, R.S.C.  
1985, c. C-36, as amended

AND IN THE MATTER OF DARIAN RESOURCES LTD.

AND IN THE MATTER OF BOWVIEW PETROLEUM INC.

AFFIDAVIT  
(Redeeming ATB Security)

I, Gary W. Goetsch, of the City of Calgary, in the Province of Alberta MAKE OATH  
AND SAY THAT:

1. I am the President of each of SJ Capital Corp., S.P.L.H. Investments Ltd., Julmar Holdings Ltd., and Shawana Estates Ltd., and as such, I have personal knowledge of the matters herein deposed to, except where stated to be based on information and belief, in which case I do verily believe the same to be true. Collectively, SJ Capital Corp., S.P.L.H. Investments Ltd., Julmar Holdings Ltd., and Shawana Estates Ltd. comprise the Shaw Family Group of companies (the "SFG"). I am authorized by SFG to make this Affidavit.

*The Credit Facilities*

2. SFG provided credit facilities to Darian Resources Ltd. ("Darian") pursuant to an Offer Sheet from Darian to SFG, dated September 25, 2008 (the "Offer Sheet"), and a Commitment Letter between Darian and SFG, dated September 29, 2008 (the "Commitment Letter"). Copies of the Offer Sheet and the Commitment Letter are attached hereto and marked as Exhibits "A" and "B", respectively.

3. The Commitment Letter established two credit facilities in favour of Darian (collectively, the "Credit Facilities"): (1) a revolving operating loan facility with an aggregate principal

amount of \$15,000,000, repayable on demand (the "Demand Facility") and (2) the purchase by SFG of secured convertible debentures in the aggregate amount of \$25,000,000 (the "Debenture Facility"). Pursuant to the Credit Facilities, the principal amount of \$40,000,000 has been advanced by SFG to Darian (hereafter referred to, collectively with all accrued and accruing interest and costs, as the "Indebtedness").

*The Security*

4. As security for and evidence of the Indebtedness, the following debentures were provided to SFG by Darian:

- (a) a separate and secured subordinated convertible debenture, in the principal amount of \$6,250,000, in favour of each of SFG companies for a total aggregate amount of \$25,000,000 (collectively, the "Convertible Debentures"); and
- (b) a fixed and floating charge demand debenture, in the principal amount of \$20,000,000, granting a second priority mortgage, charge, and security interest in all present and after-acquired property of Darian (the "Demand Debenture").

Copies of the Convertible Debentures are attached hereto and marked as Exhibits "C", "D", "E", and "F", and a copy of the Demand Debenture is attached hereto and marked as Exhibit "G".

*The Interlender Agreement*

5. Concurrent with the granting of the Credit Facilities, the Alberta Treasury Branches ("ATB") granted a credit facility in favour of Darian, supported by a corporate guarantee from Bowview Petroleum Inc. (the "ATB Credit Agreement") and KYAL Energy Inc. ("KYAL") granted a credit facility in favour of Darian. I have reviewed a commitment letter, dated September 29, 2008 among ATB, Darian, and Bowview Petroleum Inc. (the "ATB Commitment Letter") and a commitment letter, dated September 29, 2008 among KYAL and Darian (the "KYAL Commitment Letter"). Copies of the ATB Commitment Letter and the KYAL Commitment Letter are attached hereto and marked as Exhibit "H" and "I", respectively.

6. To establish the priorities between SFG, ATB and KYAL, the lenders entered into an Interlender Agreement, dated September 29, 2008 (the "Interlender Agreement"). A copy of the Interlender Agreement is attached hereto and marked as Exhibit "J".

7. Under the Interlender Agreement, SFG has the right to pay out ATB and seek an assignment of the security interests ATB has against Darian in relation to the ATB Credit Agreement (the "ATB Security"). SFG has informed ATB of its intention to redeem the ATB Facility and seek an assignment of the ATB Security. Copies of the correspondence between SFG and ATB are attached hereto and marked as Exhibit "K".

8. On February 12, 2010, ATB, though its legal counsel, demanded full repayment from Darian of all amounts owing to ATB, and ATB issued and served upon Darian a Notice of Intention to Enforce Security under section 244 of the Bankruptcy and Insolvency Act, a copy of which is attached hereto and marked as Exhibit "L".

9. Following this, SFG, through its legal counsel, made further request of the ATB to accept repayment of the obligations of Darian to ATB from SFG and to assign the ATB Security to SFG. A copy of the correspondence is attached hereto and marked as Exhibit "M".

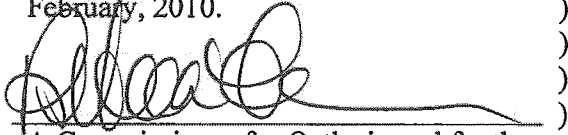
10. Notwithstanding the foregoing communications, ATB has failed, refused or neglected to consent to the pay out and the assignment.

11. I make this Affidavit in support of an application for an Order from this Honourable Court:

- (a) Declaring service of the notice of this application is good and sufficient, and abridging the time for notice of this application, if necessary;
- (b) Ordering ATB to produce to counsel for SFG within 24 hours of this Order,:
  - (i) a payout statement for the monies advanced under the ATB Credit Agreement including the outstanding balance (after application of any funds received as partial repayment) and accrued costs and interests through February 19, 2010 (the "Proposed Payout Amount"); and

- (ii) a copy of the ATB Security.
- (c) Upon SFG paying the Proposed Payout Amount to ATB, ordering ATB to assign the ATB Credit Agreement and the ATB Security to SFG or its nominee and that upon such assignment SFG or its nominee is entitled to exercise all rights of ATB under the ATB Credit Agreement and the ATB Security.
- (d) Awarding SFG costs of this application; and
- (e) Such further and other relief as this Honourable Court deems appropriate.

Sworn before me in the City of Calgary, )  
in the Province of Alberta, this 11 day of )  
February, 2010. )

  
A Commissioner for Oaths in and for the )  
Province of Alberta )

  
GARY W. GOETSCH